

## **Enclosure B**

### **SECTION 611 (PART B – GRANTS TO STATES)**

#### **Total Grant Award (Column A of Table I)**

*(Note: Tables can be found on page 5)*

Column A includes your total grant award for FFY 2001. The amount that you have received in the accompanying grant award, plus the additional funds that you will receive in October 2001, will make up your total award amount.

State grants are calculated as follows: States are first provided an amount equal to the amount they received in FFY 1999. Of the funds in excess of the FFY 1999 level, 85% are allocated to States on the basis of their relative populations of children aged 3 through 21, who are the same age as children with disabilities for whom the State ensures the availability of FAPE, and 15% on the relative populations of children of those ages who are living in poverty. The statute also contains a number of floors and ceilings below and above which a State's allocation may not fall.

#### **Minimum Flow Through to LEAs (Column B of Table I)**

Column B includes the total minimum amount that you must flow through to local educational agencies (LEAs). This amount is in addition to any funds that the State may choose to flow through to LEAs from its State set-aside funds or funds required for Capacity Building. Note that local awards, like State awards, are no longer based on child count. The minimum flow through is comprised of the base allocation and population and poverty amounts listed below.

#### **Section 611 Base Allocation (Column C of Table I)**

The amount shown in Column C is the portion of the LEA flow-through amount that must be distributed to LEAs based on the amounts that the LEAs would have received from FFY 1999 funds had the State education agency (SEA) flowed through 75% of the State award to LEAs. Note that this amount is less than the minimum amount that you were required to provide to LEAs from FFY 1999 funds. Section 300.712(b)(1)-(2) of the Part B regulations clarifies how base payments are made to LEAs.

#### **Section 611 Population/Poverty (Column D of Table I)**

The amount shown in Column D is the remaining amount that must be flowed through to LEAs. Of this amount, 85% is distributed on a pro rata basis to LEAs according to public and private elementary and secondary school enrollment, and 15% on a pro rata basis to LEAs according to the number of children in LEAs living in poverty, as determined by the State.

#### **Capacity Building and Improvement Activities (Column E of Table I)**

Column E includes the amount that must be used for Capacity Building and Improvement Activities. The minimum amount that a State must use for subgrants to LEAs for capacity building and improvement activities is equal to the maximum

amount that the State was allowed to retain for State level activities for FFY 2000, multiplied by the difference between the percentage increase in the State's allocation under Section 611 from FFY 2000, and the rate of inflation. These funds are to be used by LEAs to provide direct services and make systemic change to improve results for children with disabilities through: (1) direct services, including alternative programming for children who have been expelled from school, and services for children in correctional facilities, children enrolled in State-operated or State-supported schools, and children in charter schools; (2) addressing needs or carrying out improvement strategies identified in the State Improvement Plan; (3) adopting promising practices, materials, and technology, based on knowledge derived from education research and other sources; (4) establishing, expanding or implementing interagency agreements and arrangements between LEAs and other agencies concerning the provision of services to children with disabilities and their families; and (5) increasing cooperative problem-solving between parents and school personnel and promoting the use of alternative dispute resolution.

### **Section 611 State Set-aside (Columns F and G of Table I)**

Column F includes the maximum State set-aside amount (including funds for administration) and Column G includes the maximum portion of the State set-aside amount that may be used for administration. State set-aside amounts are limited to the maximum amount that a State could set aside in the prior FFY, plus an adjustment based on the lesser of the rate of inflation or the percentage increase in the SEA's allocation over the preceding fiscal year. For FFY 2001, the maximum amount that each State may use for State-level activities is the State 2000 level plus approximately 3.45% for inflation. SEAs may use the State set-aside funds for: (1) support and direct services, including technical assistance and personnel development and training; (2) administrative costs of monitoring and complaint investigation, but only to the extent that those costs exceed the costs incurred for those activities during Fiscal Year 1985; (3) establishing and implementing the mediation process required by the Individuals with Disabilities Education Act (IDEA) Section 615(e), including providing for the costs of mediators and support personnel; (4) assisting LEAs in meeting personnel shortages; (5) developing a State Improvement Plan under subpart 1 of Part D of the IDEA; (6) conducting activities at the State and local levels to meet the performance goals established by the State; (7) supporting implementation of the State Improvement Plan; (8) supplementing other amounts used to develop and implement a Statewide coordinated services system designed to improve results for children and families, including children with disabilities and their families (not to exceed 1% of the funds received under this program); and (9) as an additional source of funding for providing subgrants to LEAs for capacity building and improvement activities as described below. Funds that a State sets aside may also be distributed to LEAs, at the State's discretion, in any manner determined appropriate by the State. States may also use up to 20% of the maximum funds available for State set-aside activities for administration (see Column G).

### **Section 611 State Set-aside Percentages (Columns H and I of Table I)**

Column H is the percentage of the total award that is the maximum amount that may be set aside for State-level activities (including funds for administration) and Column I is the percentage of the total award that may be used for administration.

## Funding Revisions

The sum of Columns B, E, and F equals the total award for your State in Column A. Please note that total grant award, capacity building, and flow-through amounts may be revised when final awards are made in October 2001. No changes are expected in the maximum amounts available for set-aside, since these amounts have been calculated for all States based on their FFY 2000 maximum set-aside amounts and the rate of inflation.

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### ENCLOSURE C

#### SECTION 619 (PART B - PRESCHOOL) (Table II)

*(Note: Tables can be found on page 5)*

Column A includes your total grant award for FFY 2001. States are first provided an amount equal to the amount they received in FFY 1997. Of the funds in excess of the FFY 1997 level, 85% are allocated to the States on the basis of their relative population of children aged 3 through 5, and 15% on the relative number of children in this age range living in poverty. The statute also contains a number of floors and ceilings below and above which a State's allocation may not fall. For fiscal year 2001, the appropriation for the Preschool Grants program is the same as for fiscal year 2000. Section 619(c)(2)(B)(I) provides that, "No States allocation shall be less than its allocation for the preceding fiscal year." As such, the State total grant awards (Column A) and Minimum Flow through to LEAs (Column B) are the same as the amounts for fiscal year 2000.

Column C includes the estimated maximum State set-aside amount (including funds for administration) and Column D includes the maximum portion of the State set-aside amount that may be used for administration. State set-aside amounts are limited to the maximum amount that a State could set aside in the prior FFY, plus an adjustment based on the lesser of the rate of inflation or the percentage increase in the SEA's allocation over the preceding fiscal year. Since there was no percentage increase in the SEA's allocation over the preceding fiscal year, the amount available for the State set-aside is the same as the amount available for this purpose in fiscal year 2000.

SEAs may use the State set-aside funds for administration (limited to no more than 20% of the total allowable set-aside amount), and for: (1) support services which may benefit children with disabilities younger than 3 or older than 5, as long as those services also benefit children with disabilities aged 3 through 5; (2) direct services for children with disabilities who are eligible for services under Section 619; (3) development of a State Improvement Plan under subpart 1 of Part D of the IDEA; (4) activities at the State and local levels to meet the performance goals established by the State in their State Part B application, and to support implementation of the State Improvement Plan; and (5) supplementing other funds used to develop and implement a Statewide coordinated services system designed to improve results for children and families, including children with disabilities and their families (up to 1 percent of the amount received under this program). Funds

that a State sets aside may be distributed to LEAs, at the State's discretion, in any manner determined appropriate by the State.

Column E is the percentage that the maximum State set-aside amount (including funds for administration) represents of the total award. Column F is the percentage of the total award that may be used for administration.

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**FISCAL YEAR 2001 ALLOCATIONS  
CALIFORNIA GRANTS  
INDIVIDUALS WITH DISABILITIES EDUCATION ACT**

	Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I
Table I	Grant Award	Minimum Flow-Through to LEAs	LEA Base Allocation	Minimum LEA Population/ Poverty Allocation	Minimum Capacity Building and Improvement	Maximum State Set-Aside	Portion of Maximum State Set-Aside Available for Administration	Maximum State Set-Aside Percent of Total Award	Portion of Maximum State Set-Aside Available for Administration as Percent of Total Award
Part B, Section 611	650,017,799	544,915,491	323,428,031	221,487,460	20,526,983	84,575,345	16,915,089	13.0%	2.6%
	Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	
Table II	Total Award	Minimum Flow-Through to LEAs	LEA Base Allocation	Minimum LEA Population/ Poverty Allocation	Maximum State Set-Aside	Portion of Maximum State Set-Aside Available for Administration	Maximum State Set-Aside Percent of Total Award	Portion of Maximum State Set-Aside Available for Administration as Percent of Total Award	
Part B, Section 619	39,848,701	30,406,345	27,055,716	3,350,629	9,442,356	1,888,471	23.7%	4.7%	